GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2666
ANSWERED ON:17.03.2006
PSUS SEEK INSURANCE COVER FROM PRIVATE INSURERS
Madhwaraj Smt. Manorama;Mehta Shri Bhubneshwar Prasad

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has allowed the public sector undertakings to seek insurance cover from private insurers;

(b) the number of Government/ Public Sector Undertakings that have been insured by Private Sector insurance companies as on January 31, 2006 and the details thereof;

(c) whether the Government has estimated the extent of slump in premium receipts of the Government owned General Insurance Companies;

(d) whether the Insurance Regulatory and Development Authority (IRDA) has given approval for such a move; and

(e) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) With a view to provide a level playing field to all insurance companies registered with, the Insurance Regulatory and Development Authority (IRDA), it has been clarified that Purchase Preference Policy for products and services of Central Public Sector Enterprises shall not be applicable to the services offered by the public sector insurance companies.

(b) & (c): IRDA has informed that it does not collect information on these aspects.

(d) & (e): Since, no regulatory issue was involved in the clarification on Purchase Preference Policy, IRDA was not consulted.